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The Toughest Battle the Contras Face Pits State Department vs. Hard-Liners

WASHINGTON INSIGHT

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WASHINGTON—The Contras battling Nicaragua's leftist government also are caught in a cross fire between U.S. hard-liners and the State Department, and that political fight could be the coup de grace to the rebels' already slim chances of winning more American aid.

At issue is whether the rebel movement will remain a puppet of the Central Intelligence Agency, or be allowed to broaden its political base under its own moderate, civilian control. The struggle could test President Reagan's ability to end bickering within his administration over who will control the Contras and what the rebels' goals should be.

The Contras can't win in Nicaragua unless they attract popular support there. To accomplish this, they must clean up their tarnished image and shuck the CIA advisers who have bungled operations over the past few years. But Sen. Jesse Helms, worried that "reform" will lead to negotiations with Managua, is determined to block the change.

First Round to Moderates

Round one looked like a victory for the moderates. Arturo Cruz, a Contra leader who enjoys widespread support in Congress and abroad, last month withdrew his threat to resign and announced he would work to overhaul the rebel movement. Mr. Cruz tends to de-emphasize military action, stressing instead the importance of social change and economic improvement in Nicaragua.

His decision to stay was engineered by the State Department, which believes only the respected Mr. Cruz can salvage congressional support in the wake of disclosures that secret funds from the sale of U.S. arms to Iran were diverted to the Contras at a time when Congress barred military aid. Adolfo Calero, the CIA-backed leader of the Contras' dominant military wing, resigned from the three-man directorate of the United Nicaraguan Opposition, or UNO.

Yet Mr. Calero is continuing to work behind the scenes. His operatives in the Contra camps in Honduras are telling commanders and soldiers that Mr. Cruz will sell out the movement by negotiating with Nicaragua's Sandinista government.

Meanwhile, Calero allies in Congress are threatening to withdraw their longtime support for the rebels. North Carolina Sen. Helms, the ranking GOP member of the

Foreign Relations Committee, warns that "until the State Department can give credible assurances that those giving their lives in the jungle for freedom aren't going to be sold down the river, Congress will have little reason to support further funding for UNO. I for one will have no part in a negotiated settlement."

There's a Catch

Sen. Helms is calling for elections in the Contras' assembly, its exile legislative body, to choose leaders. This seems reasonable on the surface, but there's a catch. The assembly is dominated by Mr. Calero's forces; when Mr. Calero resigned last month, the assembly immediately ratified his choice for his successor.

Mr. Cruz might not have the stamina to keep up the fight if Mr. Calero—with the encouragement of Sen. Helms and the CIA—continues the pressure. He sounded less than enthusiastic when he announced his decision to remain and lead the movement. "My wife and I much preferred to be out of this," he said.

If the more militaristic Mr. Calero retains behind-the-scenes control, the Contra cause will lose some of its moderate support in Congress. Ironically, the Contras could lose the battle in Washington just as they are showing signs of taking the fight to the Sandinistas. Having received more than half the \$100 million in equipment approved by Congress for this year, dozens of units have begun to move from their camps in Honduras to prepare for what they claim will be a major offensive in Nicaragua.

Cruz's Supporters

There are some bright spots for Mr. Cruz. President Reagan's new national security adviser, Frank Carlucci, sides with the State Department in supporting him. And William Webster, the nominee to be CIA director, could review and reverse CIA hard-liners' support for the Calero faction. A

But Mr. Cruz must maintain the offensive. He has begun to put together a package of reforms that includes expanded civilian control over spending Contra funds and efforts to unite the various Contra factions into one army. But he will need patience and persistence to outflank Mr. Calero and win over his supporters.

"I think they can do it," says Robert Leiken, a senior analyst at the Carnegie Endowment for International Peace. "But they'll need a steady source of (U.S.) support. When you've got an administration divided on this issue between those who originally developed the program and those who support reform, it makes it an uphill battle."